

ATTACHMENT J-4A
Service Level Method

1. General Provisions

- a) The Contractor shall measure and report on all of the Expected Service Levels (ESL), Minimum Service Levels (MSL) and Key Performance Indicators (KPI) identified in Attachment **J-4B**, *Service Level Matrix*.
- b) The Contractor shall measure Service Levels on a periodic basis (as specified by the Service Level 'measurement window' in Attachment **J-4C**, *Service Level Surveillance Plan*) and report the Service Levels in accordance with DRD No. 1293MA-006, *EAST Documentation/Reports Matrix - Service Level Metrics Report*.
- c) The Contractor shall provide the raw data and detailed supporting information referenced in Section 1(b) above, to be accessible to the Contracting Officer Technical Representative (COTR) online and in real time (or as soon as such information is available to Contractor) at all times during the Term of the Agreement.
- d) The Maximum Monthly Price Deduction for Failure to Meet Service Level Standards with respect to each calendar month is 60% of the Contractor's price for Services for such month.

2. Responsibilities

The Contractor shall be responsible for promptly investigating failures to meet the Service Levels by:

- a) Promptly initiating Problem investigations, including Root Cause Analyses, as applicable.
- b) Promptly reporting ESL and MSL Failures to NASA.
- c) Promptly escalating potential and actual Incidents and Problems outside the Contractors control that interferes with the Contractor's ability to meet the Service Levels.
- d) Promptly and continuously advising NEACC Management of the root cause of ESL and MSL Failures and the status of remedial efforts being undertaken with respect to Service Level Failures.
- e) Making written recommendations to NASA for improvement in procedures that negatively affect Service Level achievement.

3. Additions, Deletions and Modifications of Service Levels

The Contractor may propose Additions, Deletions, and Modifications to the Service Levels, to include Service Level Definition, Expected and Minimum Service Levels, and Allocation Percentage, with the submittal of each Option Decision Package. (Reference Clause **F.8**)

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4. Service Level Failures

- a) An ESL or MSL Failure shall be deemed to occur whenever the Contractor's level of performance for a particular ESL or MSL is not met as specified in Attachment **J-4B**, *Service Level Matrix*.
- b) A KPI Failure shall be deemed to occur whenever the Contractor's level of performance for a particular KPI does not meet the KPI standard specified in Attachment **J-4B**, *Service Level Matrix*.
- c) Price deductions for ESL or MSL failures will be calculated as described below.
 - (i) NASA has assigned ESL and MSL Price Deduction Percentages to each Service Level.
 - (ii) For each ESL or MSL that the Contractor fails to meet, the Contractor shall provide NASA a Price Deduction that will be computed in accordance with the following formula:

Price Deduction = A x B

Where:

A= Monthly CLIN Value

B= ESL Price Deduction % or the MSL Price Deduction %

For example, in a month where the Contractor fails to meet a ESL 2.1 assume: (i) the monthly CLIN value to be \$500,000, (ii) the ESL price deduction % to be 2%. The price deduction due to NASA for such ESL failure would be computed as follows:

Price Deduction = \$500,000 x 0.02 = \$10,000

- d) Except as otherwise provided in this Attachment **J-4A**, *Service Level Method* or elsewhere in the Agreement, if more than one ESL or MSL Failure has occurred in a single month, the sum of the corresponding Price Deduction shall be credited to NASA, except that in no event shall the aggregate amount of Price Deductions credited to NASA with respect to ESL and MSL Failures occurring in a single month exceed, in total, the Maximum Monthly Price Deduction for that month.
- e) The Contractor shall promptly notify NASA in writing if the Contractor fails to achieve an ESL or MSL. The total amount of Price Deductions that Contractor will be obligated to credit to NASA, with respect to ESL or MSL Failures occurring during a month, shall be reported to NASA as defined in DRD 1293MA-006, *EAST Documentation/Reports Matrix - Price Report*.
- f) MSL Failures shall result in the Maximum Monthly Price Deduction based on the MSL Price Deduction Percentage. The Price Deduction shall be credited to NASA in a subsequent invoice for the month in which the failure occurred, not to exceed three months following the MSL failure.

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- g) Failure to meet the ESL standard while satisfying the MSL standard shall result in the Maximum Monthly Price Deduction based on the ESL Price Deduction Percentage. The Price Deduction shall be credited to NASA in a subsequent invoice for the month in which the failure occurred, not to exceed three months following the ESL failure.
- h) There are no Price Deductions for KPI failures. However, the Contractor's performance against KPIs will be a consideration in the decision to exercise the contract period of performance option.

5. Cooperation

The achievement of the Service Levels by the Contractor may require the coordinated, collaborative effort of the Contractor with third party vendors that contract directly with NASA. The Contractor will cooperate and provide to such parties a contact to help ensure the prompt resolution of all Service Level Failures.

6. Measuring Tools

The Contractor shall implement the measuring tools and methodologies specified in each Service Level or another reasonably acceptable tool or methodology approved in writing by the COTR for measuring such Service Level at least thirty (30) calendar prior to the Commencement Date. For Service Levels established after the Effective Date of the Contract, the Contractor shall implement mutually agreed upon measuring tools and methodologies within thirty (30) calendar days prior to the applicable Service Level measurement period. If the Contractor fails to implement such measuring tool or methodology, such failure shall be deemed a MSL Failure for each applicable Service Level, and the Contractor shall credit to NASA any Price Deductions applicable to such MSL for each month until the Contractor implements such measuring tool or methodology. The Contractor shall adhere to requirements defined in Attachment **J-1**, Appendix **A**, *Cross-Functional Requirements, Section 7* with regard to ensuring seamless integration between the Contractor data collection systems and NASA's Enterprise Service Desk systems.